



In: 6/6
State of Wisconsin
2013 - 2014 LEGISLATURE



LRBb0073/P2
MPG&CMH:cjs:jf

LFB:.....Shanovich (DH) – Reporting and other requirements concerning the operations of WEDC

FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 40

1P3

SA✓
Insert

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 56, line 1: before that line insert:

3 “SECTION 1c. 1.14 (1) (b) of the statutes is amended to read:

4 1.14 (1) (b) “State agency” has the meaning given for “agency” under s. 16.70
5 (1e) 16.97 (1m).”.

6 **2.** Page 56, line 1: delete “SECTION 1” and substitute “SECTION 1h”.

7 **3.** Page 66, line 5: after that line insert:

8 “SECTION 27bt. 13.92 (1) (b) 1. b. of the statutes is amended to read:

9 13.92 (1) (b) 1. b. Any agency, as defined in s. 16.70 (1e) 16.97 (1m), created
10 under ch. 13, 14, 15, or 758.”.

1 **4.** Page 72, line 9: after that line insert:

2 “**SECTION 52t.** 16.004 (17) of the statutes is amended to read:

3 16.004 (17) BUSINESS INTELLIGENCE AND DATA WAREHOUSING SYSTEM. The
4 department may implement an enterprise-wide reporting, data warehousing, and
5 data analysis system applicable to every agency, as defined in s. ~~16.70 (1e)~~ 16.97 (1m),
6 other than the legislative and judicial branches of state government.”.

7 **5.** Page 72, line 13: delete “16.70 (1e)” and substitute “16.97 (1m)”.

8 **6.** Page 75, line 21: after that line insert:

9 “**SECTION 67h.** 16.52 (6) (a) of the statutes is amended to read:

10 16.52 (6) (a) Except as authorized in s. 16.74, all purchase orders, contracts,
11 or printing orders for any agency, as defined in s. ~~16.70 (1e)~~ 16.97 (1m), shall, before
12 any liability is incurred thereon, be submitted to the secretary for his or her approval
13 as to legality of purpose and sufficiency of appropriated and allotted funds therefor.
14 In all cases the date of the contract or order governs the fiscal year to which the
15 contract or order is chargeable, unless the secretary determines that the purpose of
16 the contract or order is to prevent lapsing of appropriations or to otherwise
17 circumvent budgetary intent. Upon such approval, the secretary shall immediately
18 encumber all contracts or orders, and indicate the fiscal year to which they are
19 chargeable.

20 **SECTION 67j.** 16.53 (13) (a) of the statutes is amended to read:

21 16.53 (13) (a) In this subsection, “agency” has the meaning given in s. ~~16.70 (1e)~~
22 16.97 (1m).

23 **SECTION 67L.** 16.545 (9) of the statutes is amended to read:

1 16.545 (9) To initiate contacts with the federal government for the purpose of
2 facilitating participation by agencies, as defined in s. 16.70 (1e) 16.97 (1m), in federal
3 aid programs, to assist those agencies in applying for such aid, and to facilitate
4 influencing the federal government to make policy changes that will be beneficial to
5 this state. The department may assess an agency to which it provides services under
6 this subsection a fee for the expenses incurred by the department in providing those
7 services.

8 **SECTION 67s.** 16.70 (1e) of the statutes is amended to read:

9 16.70 (1e) "Agency" means an office, department, agency, institution of higher
10 education, association, society or other body in state government created or
11 authorized to be created by the constitution or any law, which is entitled to expend
12 moneys appropriated by law, including the Wisconsin Economic Development
13 Corporation, the legislature, and the courts, but not including an authority."

14 **7.** Page 93, line 24: after that line insert:

15 **"SECTION 122j.** 16.765 (1) of the statutes is amended to read:

16 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
17 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
18 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
19 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
20 ~~Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall
21 include in all contracts executed by them a provision obligating the contractor not
22 to discriminate against any employee or applicant for employment because of age,
23 race, religion, color, handicap, sex, physical condition, developmental disability as
24 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national

1 origin and, except with respect to sexual orientation, obligating the contractor to take
2 affirmative action to ensure equal employment opportunities.

3 **SECTION 122jc.** 16.765 (2) of the statutes is amended to read:

4 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
5 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
6 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
7 Fox River Remediation Authority, the ~~Wisconsin Economic Development~~
8 ~~Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall
9 include the following provision in every contract executed by them: "In connection
10 with the performance of work under this contract, the contractor agrees not to
11 discriminate against any employee or applicant for employment because of age, race,
12 religion, color, handicap, sex, physical condition, developmental disability as defined
13 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
14 not be limited to, the following: employment, upgrading, demotion or transfer;
15 recruitment or recruitment advertising; layoff or termination; rates of pay or other
16 forms of compensation; and selection for training, including apprenticeship. Except
17 with respect to sexual orientation, the contractor further agrees to take affirmative
18 action to ensure equal employment opportunities. The contractor agrees to post in
19 conspicuous places, available for employees and applicants for employment, notices
20 to be provided by the contracting officer setting forth the provisions of the
21 nondiscrimination clause".

22 **8.** Page 93, line 24: after that line insert:

23 **"SECTION 122je.** 16.765 (5) of the statutes is amended to read:

1 16.765 (5) The head of each contracting agency and the boards of directors of
2 the University of Wisconsin Hospitals and Clinics Authority, the Fox River
3 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
4 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
5 Authority, ~~the Wisconsin Economic Development Corporation,~~ and the Bradley
6 Center Sports and Entertainment Corporation shall be primarily responsible for
7 obtaining compliance by any contractor with the nondiscrimination and affirmative
8 action provisions prescribed by this section, according to procedures recommended
9 by the department. The department shall make recommendations to the contracting
10 agencies and the boards of directors of the University of Wisconsin Hospitals and
11 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
12 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
13 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
14 ~~Corporation,~~ and the Bradley Center Sports and Entertainment Corporation for
15 improving and making more effective the nondiscrimination and affirmative action
16 provisions of contracts. The department shall promulgate such rules as may be
17 necessary for the performance of its functions under this section.

18 **SECTION 122jg.** 16.765 (6) of the statutes is amended to read:

19 16.765 (6) The department may receive complaints of alleged violations of the
20 nondiscrimination provisions of such contracts. The department shall investigate
21 and determine whether a violation of this section has occurred. The department may
22 delegate this authority to the contracting agency, the University of Wisconsin
23 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the
24 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
25 the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development~~

1 Corporation, or the Bradley Center Sports and Entertainment Corporation for
2 processing in accordance with the department's procedures.

3 **SECTION 122jj.** 16.765 (7) (intro.) of the statutes is amended to read:

4 16.765 (7) (intro.) When a violation of this section has been determined by the
5 department, the contracting agency, the University of Wisconsin Hospitals and
6 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
7 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
8 Fox River Remediation Authority, the ~~Wisconsin Economic Development~~
9 ~~Corporation~~, or the Bradley Center Sports and Entertainment Corporation, the
10 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the
11 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the
12 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
13 Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center
14 Sports and Entertainment Corporation shall:

15 **SECTION 122jL.** 16.765 (7) (d) of the statutes is amended to read:

16 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
17 further violations of this section and to report its corrective action to the contracting
18 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River
19 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
20 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
21 Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center
22 Sports and Entertainment Corporation.

23 **SECTION 122jo.** 16.765 (8) of the statutes is amended to read:

24 16.765 (8) If further violations of this section are committed during the term
25 of the contract, the contracting agency, the Fox River Navigational System Authority,

1 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan
2 Authority, the Lower Fox River Remediation Authority, the ~~Wisconsin Economic~~
3 ~~Development Corporation~~, or the Bradley Center Sports and Entertainment
4 Corporation may permit the violating party to complete the contract, after complying
5 with this section, but thereafter the contracting agency, the Fox River Navigational
6 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
7 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the
8 ~~Wisconsin Economic Development Corporation~~, or the Bradley Center Sports and
9 Entertainment Corporation shall request the department to place the name of the
10 party on the ineligible list for state contracts, or the contracting agency, the Fox River
11 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
12 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
13 Authority, the ~~Wisconsin Economic Development Corporation~~, or the Bradley Center
14 Sports and Entertainment Corporation may terminate the contract without liability
15 for the uncompleted portion or any materials or services purchased or paid for by the
16 contracting party for use in completing the contract.”.

17 **9.** Page 94, line 12: after that line insert:

18 “**SECTION 123j.** 16.84 (14) of the statutes is amended to read:

19 16.84 (14) Provide interagency mail delivery service for agencies, as defined
20 in s. ~~16.70 (1e)~~ 16.97 (1m). The department may charge agencies for this service. Any
21 moneys collected shall be credited to the appropriation account under s. 20.505 (1)
22 (kb).

23 **SECTION 123r.** 16.847 (2) (a) of the statutes is amended to read:

1 16.847 (2) (a) The department may provide funding to agencies, as defined in
2 s. ~~16.70 (1e)~~ 16.97 (1m), for energy conservation construction projects at state
3 facilities under the jurisdiction of the agencies to enhance the energy efficiency of the
4 facilities. The department shall prescribe standards for evaluation of proposed
5 projects and allocation of available moneys for those projects under this subsection.”.

6 **10.** Page 100, line 3: delete “16.70 (1e)” and substitute “16.97 (1m)”.

7 **11.** Page 107, line 19: after that line insert:

8 “**SECTION 153k.** 16.855 (16) (b) 1. of the statutes is amended to read:

9 16.855 (16) (b) 1. In this paragraph, “agency” has the meaning given in s. ~~16.70~~
10 ~~(1e)~~ 16.97 (1m).”.

11 **12.** Page 109, line 7: after that line insert:

12 “**SECTION 155n.** 16.891 (1) (a) of the statutes is amended to read:

13 16.891 (1) (a) “Agency” has the meaning given in s. ~~16.70 (1e)~~ 16.97 (1m).”.

14 **13.** Page 119, line 15: after that line insert:

15 “**SECTION 185s.** 16.967 (1) (a) of the statutes is amended to read:

16 16.967 (1) (a) “Agency” has the meaning given in s. ~~16.70 (1e)~~ 16.97 (1m).”.

17 **14.** Page 119, line 18: after that line insert:

18 “**SECTION 186p.** 16.97 (1m) of the statutes is amended to read:

19 16.97 (1m) “Agency” ~~has the meaning given in s. 16.70 (1e)~~ means an office,
20 department, agency, institution of higher education, association, society, or other
21 body in state government created or authorized to be created by the constitution or
22 any law, which is entitled to expend moneys appropriated by law, including the
23 legislature and the courts, but not including an authority.”.

24 **15.** Page 123, line 16: after that line insert:

1 **“SECTION 193o.** 19.42 (10) (sm) of the statutes is amended to read:

2 19.42 (10) (sm) The employees of the Wisconsin Economic Development
3 Corporation and the members of the board of directors of the Wisconsin Economic
4 Development Corporation employed in the private sector who are appointed by the
5 speaker of the assembly and the senate majority leader.

6 **SECTION 193q.** 19.42 (13) (om) of the statutes is amended to read:

7 19.42 (13) (om) The employees of the Wisconsin Economic Development
8 Corporation and the members of the board of directors of the Wisconsin Economic
9 Development Corporation employed in the private sector who are appointed by the
10 speaker of the assembly and the senate majority leader.”.

11 **16.** Page 386, line 24: after that line insert:

12 **“SECTION 432f.** 20.505 (5) (ke) of the statutes is amended to read:

13 20.505 (5) (ke) *Additional energy conservation construction projects.* All
14 moneys received by the department from agencies, as defined in s. 16.70 (1e) 16.97
15 (1m), in payment of assessments under s. 16.847 (3) for energy cost savings at state
16 facilities, for the purpose of providing additional funding to those agencies for energy
17 conservation construction projects at state facilities under the jurisdiction of the
18 agencies as provided in s. 16.847 (2).”

19 **17.** Page 399, line 9: after that line insert:

20 **“SECTION 488k.** 20.866 (2) (ws) of the statutes is amended to read:

21 20.866 (2) (ws) *Administration; energy conservation projects; capital*
22 *improvement fund.* From the capital improvement fund, a sum sufficient for the
23 department of administration to provide funding to agencies, as defined in s. 16.70
24 (1e) 16.97 (1m), for energy conservation construction projects at state facilities under

1 the jurisdiction of the agencies pursuant to s. 16.847 (2). The state may contract
2 public debt in an amount not exceeding \$180,000,000 for this purpose.”.

3 **18.** Page 400, line 16: after that line insert:

4 “**SECTION 490f.** 20.867 (3) (kd) of the statutes is amended to read:

5 20.867 (3) (kd) *Energy conservation construction projects; principal repayment,*
6 *interest and rebates.* All moneys received by the building commission from agencies,
7 as defined in s. ~~16.70 (1e)~~ 16.97 (1m), in payment of assessments under s. 16.847 (3),
8 for the purpose of reimbursing s. 20.866 (1) (u) for the payment of principal and
9 interest costs incurred in financing energy conservation construction projects at
10 state facilities, to make the payments determined by the building commission under
11 s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in
12 financing energy conservation construction projects at state facilities, and to make
13 payments under an agreement or ancillary arrangement entered into under s. 18.06
14 (8) (a).”.

15 **19.** Page 916, line 3: after that line insert:

16 “**SECTION 2055d.** 238.045 of the statutes is created to read:

17 **238.045 Establishment of nonprofit organization.** (1) **DEFINITION.** In this
18 section, “nonprofit organization” means a nonprofit corporation, as defined in s.
19 181.0103 (17), and any organization described in section 501 (c) (3) of the Internal
20 Revenue Code that is exempt from federal income tax under section 501 (a) of the
21 Internal Revenue Code.

22 (2) **APPROVAL REQUIRED.** (a) The corporation may not establish a nonprofit
23 organization without the approval of the joint committee on finance.

(b) The joint committee on finance may approve the corporation's establishment of a nonprofit organization if the corporation's chief executive officer submits a request for approval to the committee that describes in detail the corporation's proposal to establish a nonprofit organization and the chief executive officer appears at the committee's meeting to consider that request for approval.

SECTION 2055e. 238.07 (2) (ag) of the statutes is created to read:

238.07 (2) (ag) An accounting of the location, by municipality, of each job created or retained in the state in the previous fiscal year as a result of the program.

SECTION 2055f. 238.07 (2) (ar) of the statutes is created to read:

238.07 (2) (ar) An accounting of the industry classification, by municipality, of each job created or retained in the state as a result of the program.

SECTION 2055k. 238.07 (2) (dm) of the statutes is created to read:

238.07 (2) (dm) The total amount of tax benefits allocated, and the total amount of tax benefits verified to the department of revenue, under the program.

SECTION 2055m. 238.07 (2) (fm) of the statutes is created to read:

238.07 (2) (fm) An identification of each recipient of a tax benefit allocated, and each recipient of a tax benefit that was verified to the department of revenue, under the program.

SECTION 2055t. 238.07 (4) of the statutes is created to read:

238.07 (4) Annually, beginning in 2014, the board shall have an independent audit conducted of the corporation's financial statements for the previous fiscal year and submit the audit report to the joint legislative audit committee and the chief clerk of each house of the legislature, for distribution to the legislature under s.

24

13.172 (2).?

Insert 11-24

1 **20.** Page 921, line 11: after that line insert:

2 “~~SECTION 2086n.~~ 250.20 (1) (k) of the statutes is amended to read:

3 250.20 (1) (k) “State agency” has the meaning given in s. ~~16.70 (1e)~~ 16.97 (1m).”

4 **21.** Page 1044, line 24: after that line insert:

5 “(1q) RESPONSE TO AUDIT.

6 (a) *Definitions.* In this subsection:

7 1. “Audit report” means the legislative audit bureau’s report 13–7, submitted
8 to the joint legislative audit committee in May 2013 and setting forth the legislative
9 audit bureau’s findings, conclusions, and recommendations concerning
10 improvement of WEDC’s administration of its economic development programs, its
11 financial and personnel management, and the governance of its operations.

12 2. “Economic development program” has the meaning given in section 238.01
13 (3) of the statutes.

14 3. “WEDC” means the Wisconsin Economic Development Corporation.

15 (b) *Appropriations.*

16 1. ‘Operations and economic development programs.’ In fiscal year 2014–15,
17 the joint committee on finance may supplement, from the appropriation under
18 section 20.865 (4) (a) of the statutes, the appropriation under section 20.192 (1) (a)
19 of the statutes for the purposes specified in section 20.192 (1) (a) of the statutes, and
20 may supplement, from the appropriation under section 20.865 (4) (u) of the statutes,
21 the appropriation under section 20.192 (1) (r) of the statutes for the purposes
22 specified in section 20.192 (1) (r) of the statutes, if all of the following occur:

1 a. WEDC submits a report to the joint committee on finance that shows that
2 WEDC is complying with the recommendations of the legislative audit bureau in the
3 audit report.

4 b. The chief executive officer of WEDC testifies concerning WEDC's report
5 under this subdivision 1. a. at the second quarterly meeting of the joint committee
6 on finance in fiscal year 2013–14.

7 c. The joint committee on finance determines, based on the information it
8 receives under this subdivision 1. a. and b., that WEDC is complying with the
9 recommendations of the legislative audit bureau in the audit report.

10 2. 'Marketing expenses.' In fiscal year 2013–14, the joint committee on finance
11 may supplement, from the appropriation under section 20.865 (4) (a) of the statutes,
12 the appropriation under section 20.192 (1) (a) of the statutes for marketing expenses
13 of WEDC if WEDC submits a plan to the joint committee on finance specifying the
14 extent to which WEDC's future marketing expenses may be funded from WEDC's
15 existing funds, rather than from additional GPR funding.

16 3. 'Finding of emergency not required.' Notwithstanding section 13.101 (3) of
17 the statutes, the joint committee on finance is not required to find that an emergency
18 exists in order to supplement an appropriation under subdivision 1. or 2.

19 (c) *Reports to joint legislative audit committee.*

20 1. 'Economic development programs.' No later than October 1, 2013, WEDC
21 shall submit a report to the joint legislative audit committee that describes in detail
22 WEDC's efforts do all of the following:

23 a. Create all required economic development program rules or policies and
24 procedures.

1 b. For each economic development program grant or loan of \$100,000 or more,
2 require as a term of the grant or loan contract that the grant or loan recipient shall
3 submit to WEDC a verified financial statement describing how the grant or loan
4 moneys were spent, and enforce each such contract term to ensure that each such
5 grant or loan recipient submits that verified financial statement.

6 c. Develop at least one expected result for each goal of each economic
7 development program that WEDC administers.

8 d. Ensure that each recipient of an economic development program grant or
9 loan submit all progress reports required in the grant or loan contract.

10 e. Verify the performance information being reported to WEDC by economic
11 development program grant and loan recipients by annually conducting a review of
12 a representative sample of grants and loans issued by WEDC.

13 f. Ensure that WEDC's annual report under section 238.07 (2) presents clear,
14 accurate, and complete information concerning each economic development
15 program's results.

16 2. 'Outstanding loans.' No later than October 1, 2013, WEDC shall submit a
17 report to the joint legislative audit committee that covers the period from January
18 1, 2013, to September 30, 2013, and describes in detail the status of all outstanding
19 economic development program loans for which WEDC was responsible during that
20 period, including all of the following:

21 a. The total number and outstanding balance of loans WEDC amended.

22 b. The total number and outstanding balance of loans WEDC forgave.

23 c. The total number and outstanding balance of loans WEDC referred to the
24 department of justice for collection proceedings.

1 d. The total number and outstanding balance of loans WEDC wrote off.”.

2 (END)

2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

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MPG:cjs:jf

1 INSERT 11-24

2 **SECTION 2055v.** 238.09 of the statutes is created to read:

3 **238.09 Procurement policies and procedures.** The board shall adopt
4 policies and procedures that specify all of the following:

5 (1) When the corporation is required to publicly solicit proposals from multiple
6 vendors of goods or services.

7 (2) How the corporation is to evaluate proposals from multiple vendors.

8 (3) How the corporation is to assess any conflict of interest a vendor may have
9 if the vendor sells goods or services to the corporation.”

10 END INSERT 11-24



Dr: 6/7
State of Wisconsin
2013 - 2014 LEGISLATURE



LRBb0073/P3
MPG:cjs:ph

Stamp

LFB:.....Shanovich (DH) – Reporting and other requirements concerning the operations of WEDC

FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY BILL 40

1P4

1 At the locations indicated, amend the bill as follows:

2 1. Page 123, line 16: after that line insert:

3 “SECTION 193o. 19.42 (10) (sm) of the statutes is amended to read:

4 19.42 (10) (sm) The employees of the Wisconsin Economic Development
5 Corporation and the members of the board of directors of the Wisconsin Economic
6 Development Corporation employed in the private sector who are appointed by the
7 speaker of the assembly and the senate majority leader.

8 SECTION 193q. 19.42 (13) (om) of the statutes is amended to read:

9 19.42 (13) (om) The employees of the Wisconsin Economic Development
10 Corporation and the members of the board of directors of the Wisconsin Economic

1 Development Corporation employed in the private sector who are appointed by the
2 speaker of the assembly and the senate majority leader.”.

3 **2.** Page 916, line 3: after that line insert:

4 “**SECTION 2055d.** 238.045 of the statutes is created to read:

5 **238.045 Establishment of nonprofit organization. (1) DEFINITION.** In this
6 section, “nonprofit organization” means a nonprofit corporation, as defined in s.
7 181.0103 (17), and any organization described in section 501 (c) (3) of the Internal
8 Revenue Code that is exempt from federal income tax under section 501 (a) of the
9 Internal Revenue Code.

10 **(2) APPROVAL REQUIRED.** (a) The corporation may not establish a nonprofit
11 organization without the approval of the joint committee on finance.

12 (b) The joint committee on finance may approve the corporation’s
13 establishment of a nonprofit organization if the corporation’s chief executive officer
14 submits a request for approval to the committee that describes in detail the
15 corporation’s proposal to establish a nonprofit organization and the chief executive
16 officer appears at the committee’s meeting to consider that request for approval.

17 **SECTION 2055e.** 238.07 (2) (ag) of the statutes is created to read:

18 238.07 (2) (ag) An accounting of the location, by municipality, of each job
19 created or retained in the state in the previous fiscal year as a result of the program.

20 **SECTION 2055f.** 238.07 (2) (ar) of the statutes is created to read:

21 238.07 (2) (ar) An accounting of the industry classification, by municipality, of
22 each job created or retained in the state as a result of the program.

23 **SECTION 2055k.** 238.07 (2) (dm) of the statutes is created to read:

1 238.07 (2) (dm) The total amount of tax benefits allocated, and the total amount
2 of tax benefits verified to the department of revenue, under the program.

3 **SECTION 2055m.** 238.07 (2) (fm) of the statutes is created to read:

4 238.07 (2) (fm) An identification of each recipient of a tax benefit allocated, and
5 each recipient of a tax benefit that was verified to the department of revenue, under
6 the program.

7 **SECTION 2055t.** 238.07 (4) of the statutes is created to read:

8 238.07 (4) Annually, beginning in 2014, the board shall have an independent
9 audit conducted of the corporation's financial statements for the previous fiscal year
10 and submit the audit report to the joint legislative audit committee and the chief
11 clerk of each house of the legislature, for distribution to the legislature under s.
12 13.172 (2).

13 **SECTION 2055v.** 238.09 of the statutes is created to read:

14 **238.09 Procurement policies and procedures.** The board shall adopt
15 policies and procedures that specify all of the following:

16 (1) When the corporation is required to publicly solicit proposals from multiple
17 vendors of goods or services.

18 (2) How the corporation is to evaluate proposals from multiple vendors.

19 (3) How the corporation is to assess any conflict of interest a vendor may have
20 if the vendor sells goods or services to the corporation.”.

21 **3.** Page 1044, line 24: after that line insert:

22 “(1q) RESPONSE TO AUDIT.

23 (a) *Definitions.* In this subsection:

1 1. “Audit report” means the legislative audit bureau’s report 13–7, submitted
2 to the joint legislative audit committee in May 2013 and setting forth the legislative
3 audit bureau’s findings, conclusions, and recommendations concerning
4 improvement of WEDC’s administration of its economic development programs, its
5 financial and personnel management, and the governance of its operations.

6 2. “Economic development program” has the meaning given in section 238.01
7 (3) of the statutes.

8 3. “WEDC” means the Wisconsin Economic Development Corporation.

9 (b) *Appropriations.*

10 1. ‘Operations and economic development programs.’ In fiscal year 2014–15,
11 the joint committee on finance may supplement, from the appropriation under
12 section 20.865 (4) (a) of the statutes, the appropriation under section 20.192 (1) (a)
13 of the statutes for the purposes specified in section 20.192 (1) (a) of the statutes, and
14 may supplement, from the appropriation under section 20.865 (4) (u) of the statutes,
15 the appropriation^s under section 20.192 (1) (r) of the statutes for the purposes
16 specified in section 20.192 (1) (r) of the statutes, if all of the following occur:

17 a. WEDC submits a report to the joint committee on finance that shows that
18 WEDC is complying with the recommendations of the legislative audit bureau in the
19 audit report.

20 b. The chief executive officer of WEDC testifies concerning WEDC’s report
21 under subdivision 1. a. at the second quarterly meeting of the joint committee on
22 finance in fiscal year 2013–14.

23 c. The joint committee on finance determines, based on the information it
24 receives under subdivision 1. a. and b., that WEDC is complying with the
25 recommendations of the legislative audit bureau in the audit report.

(S) PMS

1 2. ‘Marketing expenses.’ In fiscal year 2013–14, the joint committee on finance
2 may supplement, from the appropriation under section 20.865 (4) (a) of the statutes,
3 the appropriation under section 20.192 (1) (a) of the statutes for marketing expenses
4 of WEDC if WEDC submits a plan to the joint committee on finance specifying the
5 extent to which WEDC’s future marketing expenses may be funded from WEDC’s
6 existing funds, rather than from additional GPR funding.

7 3. ‘Finding of emergency not required.’ Notwithstanding section 13.101 (3) of
8 the statutes, the joint committee on finance is not required to find that an emergency
9 exists in order to supplement an appropriation under subdivision 1. or 2.

10 (c) *Reports to joint legislative audit committee.*

11 1. ‘Economic development programs.’ No later than October 1, 2013, WEDC
12 shall submit a report to the joint legislative audit committee that describes in detail
13 WEDC’s efforts do all of the following:

14 a. Create all required economic development program rules or policies and
15 procedures.

16 b. For each economic development program grant or loan of \$100,000 or more,
17 require as a term of the grant or loan contract that the grant or loan recipient shall
18 submit to WEDC a verified financial statement describing how the grant or loan
19 moneys were spent, and enforce each such contract term to ensure that each such
20 grant or loan recipient submits that verified financial statement.

21 c. Develop at least one expected result for each goal of each economic
22 development program that WEDC administers.

23 d. Ensure that each recipient of an economic development program grant or
24 loan submit all progress reports required in the grant or loan contract.

e. Verify the performance information being reported to WEDC by economic development program grant and loan recipients by annually conducting a review of a representative sample of grants and loans issued by WEDC.

f. Ensure that WEDC's annual report under section 238.07 (2) of the statutes presents clear, accurate, and complete information concerning each economic development program's results.

2. ‘Outstanding loans.’ No later than October 1, 2013, WEDC shall submit a report to the joint legislative audit committee that covers the period from January 1, 2013, to September 30, 2013, and describes in detail the status of all outstanding economic development program loans for which WEDC was responsible during that period, including all of the following:

a. The total number and outstanding balance of loans WEDC amended.

b. The total number and outstanding balance of loans WEDC forgave.

c. The total number and outstanding balance of loans WEDC referred to the department of justice for collection proceedings.

d. The total number and outstanding balance of loans WEDC wrote off.”.

(END)



State of Wisconsin
2013 – 2014 LEGISLATURE



LRBb0073/P4
MPG:cjs:jm

LFB:.....Shanovich (DH) – Reporting and other requirements concerning the operations of WEDC

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY BILL 40

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 123, line 16: after that line insert:

3 “**SECTION 193o.** 19.42 (10) (sm) of the statutes is amended to read:

4 19.42 (10) (sm) The employees of the Wisconsin Economic Development
5 Corporation and the members of the board of directors of the Wisconsin Economic
6 Development Corporation employed in the private sector who are appointed by the
7 speaker of the assembly and the senate majority leader.

8 **SECTION 193q.** 19.42 (13) (om) of the statutes is amended to read:

9 19.42 (13) (om) The employees of the Wisconsin Economic Development
10 Corporation and the members of the board of directors of the Wisconsin Economic

1 Development Corporation employed in the private sector who are appointed by the
2 speaker of the assembly and the senate majority leader.”.

3 **2.** Page 916, line 3: after that line insert:

4 “**SECTION 2055d.** 238.045 of the statutes is created to read:

5 **238.045 Establishment of nonprofit organization.** (1) **DEFINITION.** In this
6 section, “nonprofit organization” means a nonprofit corporation, as defined in s.
7 181.0103 (17), and any organization described in section 501 (c) (3) of the Internal
8 Revenue Code that is exempt from federal income tax under section 501 (a) of the
9 Internal Revenue Code.

10 (2) **APPROVAL REQUIRED.** (a) The corporation may not establish a nonprofit
11 organization without the approval of the joint committee on finance.

12 (b) The joint committee on finance may approve the corporation’s
13 establishment of a nonprofit organization if the corporation’s chief executive officer
14 submits a request for approval to the committee that describes in detail the
15 corporation’s proposal to establish a nonprofit organization and the chief executive
16 officer appears at the committee’s meeting to consider that request for approval.

17 **SECTION 2055e.** 238.07 (2) (ag) of the statutes is created to read:

18 238.07 (2) (ag) An accounting of the location, by municipality, of each job
19 created or retained in the state in the previous fiscal year as a result of the program.

20 **SECTION 2055f.** 238.07 (2) (ar) of the statutes is created to read:

21 238.07 (2) (ar) An accounting of the industry classification, by municipality, of
22 each job created or retained in the state as a result of the program.

23 **SECTION 2055k.** 238.07 (2) (dm) of the statutes is created to read:

1 238.07 (2) (dm) The total amount of tax benefits allocated, and the total amount
2 of tax benefits verified to the department of revenue, under the program.

3 **SECTION 2055m.** 238.07 (2) (fm) of the statutes is created to read:

4 238.07 (2) (fm) An identification of each recipient of a tax benefit allocated, and
5 each recipient of a tax benefit that was verified to the department of revenue, under
6 the program.

7 **SECTION 2055t.** 238.07 (4) of the statutes is created to read:

8 238.07 (4) Annually, beginning in 2014, the board shall have an independent
9 audit conducted of the corporation's financial statements for the previous fiscal year
10 and submit the audit report to the joint legislative audit committee and the chief
11 clerk of each house of the legislature, for distribution to the legislature under s.
12 13.172 (2).

13 **SECTION 2055v.** 238.09 of the statutes is created to read:

14 **238.09 Procurement policies and procedures.** The board shall adopt
15 policies and procedures that specify all of the following:

16 (1) When the corporation is required to publicly solicit proposals from multiple
17 vendors of goods or services.

18 (2) How the corporation is to evaluate proposals from multiple vendors.

19 (3) How the corporation is to assess any conflict of interest a vendor may have
20 if the vendor sells goods or services to the corporation.”.

21 **3.** Page 1044, line 24: after that line insert:

22 “(1q) RESPONSE TO AUDIT.

23 (a) *Definitions.* In this subsection:

1 1. “Audit report” means the legislative audit bureau’s report 13–7, submitted
2 to the joint legislative audit committee in May 2013 and setting forth the legislative
3 audit bureau’s findings, conclusions, and recommendations concerning
4 improvement of WEDC’s administration of its economic development programs, its
5 financial and personnel management, and the governance of its operations.

6 2. “Economic development program” has the meaning given in section 238.01
7 (3) of the statutes.

8 3. “WEDC” means the Wisconsin Economic Development Corporation.

9 (b) *Appropriations.*

10 1. ‘Operations and economic development programs.’ In fiscal year 2014–15,
11 the joint committee on finance may supplement, from the appropriation under
12 section 20.865 (4) (a) of the statutes, the appropriation under section 20.192 (1) (a)
13 of the statutes for the purposes specified in section 20.192 (1) (a) of the statutes, and
14 may supplement, from the appropriation under section 20.865 (4) (u) of the statutes,
15 the appropriations under section 20.192 (1) (r) and (s) of the statutes for the purposes
16 specified in section 20.192 (1) (r) and (s) of the statutes, if all of the following occur:

17 a. WEDC submits a report to the joint committee on finance that shows that
18 WEDC is complying with the recommendations of the legislative audit bureau in the
19 audit report.

20 b. The chief executive officer of WEDC testifies concerning WEDC’s report
21 under subdivision 1. a. at the second quarterly meeting of the joint committee on
22 finance in fiscal year 2013–14.

23 c. The joint committee on finance determines, based on the information it
24 receives under subdivision 1. a. and b., that WEDC is complying with the
25 recommendations of the legislative audit bureau in the audit report.

1 2. ‘Marketing expenses.’ In fiscal year 2013–14, the joint committee on finance
2 may supplement, from the appropriation under section 20.865 (4) (a) of the statutes,
3 the appropriation under section 20.192 (1) (a) of the statutes for marketing expenses
4 of WEDC if WEDC submits a plan to the joint committee on finance specifying the
5 extent to which WEDC’s future marketing expenses may be funded from WEDC’s
6 existing funds, rather than from additional GPR funding.

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e. Verify the performance information being reported to WEDC by economic development program grant and loan recipients by annually conducting a review of a representative sample of grants and loans issued by WEDC.

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